VZCZCXRO7473 OO RUEHBI RUEHCI RUEHLH RUEHPW DE RUEHIL #7505/01 1180454 ZNR UUUUU ZZH O 280454Z APR 06 FM AMEMBASSY ISLAMABAD TO RUEHC/SECSTATE WASHDC IMMEDIATE 6688 RHEHNSC/NSC WASHDC IMMEDIATE INFO RUEHNE/AMEMBASSY NEW DELHI PRIORITY 8266 RUEHKT/AMEMBASSY KATHMANDU PRIORITY 6341 RUEHBUL/AMEMBASSY KABUL PRIORITY 5138 RUEHKA/AMEMBASSY DHAKA PRIORITY 1431 RUEHTA/AMEMBASSY ALMATY PRIORITY 9390 RUEHKB/AMEMBASSY BAKU PRIORITY 0062 RUEHEK/AMEMBASSY BISHKEK PRIORITY 3582 RUEHNT/AMEMBASSY TASHKENT PRIORITY 1091 RUEHAH/AMEMBASSY ASHGABAT PRIORITY 0419 RUEHKP/AMCONSUL KARACHI PRIORITY 0753 RUEHPW/AMCONSUL PESHAWAR PRIORITY 6389 RUEHLH/AMCONSUL LAHORE PRIORITY 8571 RUEHCI/AMCONSUL CALCUTTA PRIORITY 0758 RUEHBI/AMCONSUL MUMBAI PRIORITY 3470 RUEHCG/AMCONSUL CHENNAI PRIORITY 3096

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E.O. 12958: N/A

TAGS: <u>PK PGOV PREL IRNB</u>

SUBJECT: CABINET RESHUFFLE BRINGS PROMOTIONS, DEMOTIONS, AND NEW FACES

11. (SBU) Summary. After several weeks of speculation, Pakistani Prime Minister Shaukat Aziz has selected some bright party stars, rewarded PML loyalists, and switched the portfolios of four ministers in a cabinet reshuffle on April 126. Presiding over a ceremony at Aiwan-e Sadar, President Musharraf and Aziz swore in six new Federal Ministers and three new Ministers of State. In a nod to "good governance," Sheikh Rashid, a controversial figure at the Information Ministry, was switched to the Ministry of Railways, and low-performer Faisal Saleh Hayat was moved to the Ministry of Environment. Their retention in the Cabinet is out of political necessity; PML needs PPP-Patriots (Hayat's Party) and Rashid's influence in Rawalpindi in the 2007 election. The two new Ministries--Interprovincial Provincial Affairs and Political Affairs--also reflect the political needs of the hour: a unified strategy for dealing with deteriorating center-provincial relations (Inter-provincial Affairs), strengthening PML and building political alliances head of the 2007 election (Political Affairs). All of the new members are PML. End summary.

# CABINET CHANGES

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12. (SBU) Cabinet Block officially announced late Tuesday evening that the following changes have been made to Shaukat Aziz's Cabinet:

Federal Ministers:

Minister for Information Mohammad Ali Durrani Minister for Railways Sheikh Rashid Ahmed Minister for Tourism Nilofar Bakhtiar Minister for Privatization Zahid Hamid Minister for Youth Affairs Sumaira Malik (also Advisor to the PM on Womens' Development) Minister for Political Affairs Amir Muqam Minister for Environment Faisal Saleh Hayat Minister for Kashmir Affairs Major Tahir Iqbal Minister for Sports Minister for Culture Shamim Haider GG Jamal

Minsters of State (MoS): MoS for Information

MoS for Education

Tariq Azeem Khan Anisa Zeb Tahir Kheli MoS for Minorities

MoS for Defense

MoS for Parliamentary Affairs

Mos for Overseas Pakistanis

MoS for Interior MoS for Youth Affairs

Mushtaq Victor Khalid Lund Kamal Ali Agha Raza Hayat Hiraj Zafar Warraich Ghulam Bibi Bharwana

# BIO HIGHLIGHTS

13. (SBU) The following is a brief sketch of the Cabinet members whose portfolios have been elevated, as well as the three new members:

Muhammad Ali Durrani (Minister of Information): Durrani is an up-and-coming leader in PML, which he joined in 2002 after helping to merge the Milat Party with the ruling PML. He formerly served as the Secretary General of the Milat Party and National Party. In 2004, he was made the MoS for Youth, Culture, and Sports and has served as a Special Advisor to the Prime Minister. He is said to have the backing of ISI. He is a Mechanical Engineer and Educator by profession. He speaks fluent English, Urdu, Punjabi, Seraiki, and Pashto.

Salim Saifullah Khan (Minister for Intra-Provincial Affairs): Saifullah was selected for his political influence not only in NWFP, but in Sindh and Balochistan as well. He is a first-term Senator (elected March 2006) but long-time politician. He was PML Secretary General until 2002 but lost position and influence in the party after the rise of Chaudhary Shujaat. He has served as a Federal Minister under PM Junejo and a Provincial Minister in NWFP. His brother Anwar was a long-term PPP politician. According to his

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official bio, his family hails from a long line of Khans from Ghor, Afghanistan. He is a graduate of Carnegie Mellon University.

Engineer Amir Muqam (Minister for Political Affairs): Muqam is a first-term MNA from Shangla, Swat. He comes from an influential family in NWFP, and has served as an informal advisor to the PM and President on FATA while serving as the Minister of State for Water and Power. Between 2001-2002, he served as the Union Council Nazim from Bengalin. Muqam has a BSC from the University of Engineering and Technology in Peshawar. He was born on July 25, 1963; he is married with four sons and two daughters. PML leaders are seeking to boost Muqam and the provincial NWFP PML party he heads ahead of the 2007 elections.

Sumaira Malik (Minister for Youth; Advisor on Womens' Development): Malik is a first-term MNA from Kushab, Punjab. She hails from a politically influential feudal family. Her uncle is former President Farooq Leghari, her brother-in-law is Sardar Yar Mohammad Rind, and her sister is fellow first term MNA Aiyla Malik. Her husband is reportedly a high-ranking civil servant in the influential District Management Group. Sumaira served as the Minister of State for Tourism from 2004-2006, and is being rewarded for her loyalty to the party; some also say her promotion is a nod to Leghari, whose support PML needs in 2007. Maik was born on December 19, 1963.

Zahid Hamid Khan (Minister for Privatization): Khan is a first-term PML MNA from the successful, business-oriented Sialkot district. He is a practicing lawyer, a former member of the Civil Service, and an industrialist. Hamid holds a BA and MA from Cambridge University, and an LLB from the  $\,$ University of Punjab. He previously served as Minister of State for Defense, and is being rewarded for his loyalty to PML during the contentious local bodies elections in Sialkot.

Nilofar Bakhtiar (Minister of Tourism): Bakhtiar has served as the Prime Minister's Advisor on Womens' Development since 12004. She has also been in charge of the Ministry of Womens Affairs, Social Development, and Special Education (though

she was not officially a Minister). Bakhtiar won a Senate seat in March 2006.

Professor Mushtaq Victor (Minister of State for Minorities): Victor is a first-term MNA from Sialkot and holds a seat reserved for minorities (he is Christian). He has previously served as an MPA from Punjab. During his first term as MNA, he was appointed the Parliamentary Secretary to the Ministry of Minority Affairs. He was a member of PPP until 2002, when he became politically aligned with PML. He is a Professor of History, who received his MA from the University of Punjab in ¶1972. He was born on March 20, 1942 and is married with two sons and two daughters.

Kamil Ali Agha (Minister of State for Parliamentary Affairs): Senator Agha is a long-time politician, who has earned the favor of parties across the political spectrum. He most recently served as the Chief Whip in the Senate, and is well respected for his ability to keep discussions moving civilly. He was first elected district Councillor in 1979, and again in 1990, and deputy Nazim in 1990. In 1997, he was elected to the National Assembly, and served as the Parliamentary Secretary for Foreign Affairs. In 2003, he was elected to the

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Senate. He is reportedly allied with the Chief Minister of Punjab and has been selected for his statesmanly performance in the Senate. He is a lawyer by profession.

Khalid Lund (Minister of State for Defense): Lund is a third-term MNA from Ghotki, Punjab. Until two weeks ago, he was a member of the PPP-Patriots; he defected and joined PML. In his first two terms as MNA, he was a member of the PPP. He is an agriculturalist by profession. He is being rewarded with the Ministerial position in return for his defection

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from the Patriots.

# COMMENT

 $\P4$ . (SBU) Three of the new inductees filled slots vacated by the March 2006 Senate Election; the other positions were shuffled to punish bad performance and reward party stars and loyalists. Following through with his August 2004 pledge for good-governance, Aziz appears to be responding to PML Rawalpindi boss Sheikh Rashid's dismal performance as Minister of Information and PPP-Patriot Faisal Saleh Hayat's non-performance at the Ministry of Kashmir and Northern Areas. Their retention in the Cabinet (albeit in less important portfolios) is a nod to the political reality that both are still inflential politicians whose support PML needs in the 2007 elections. The creation of an Inter-Provincial Liaison portfolio (Saifullah) reflects the GOP's recognition that there needs to be a unified strategy for dealing with deteriorating center-provincial relations (particularly Balochistan and FATA). Muqam's new Ministry (Political Affairs) was presumably created to orchestrate party "understandings" for the 2007 election and give the non-political PM Aziz another political advisor. We expect that this will not be the last Cabinet reshuffle, as the ruling party lines up its team for the 2007 elections. End comment. BODDE